DECLARATION OF RANDALL CHESLER

I, Randall Chesler, under penalties of perjury, state to the best of my knowledge and belief as follows:

1. I am currently the President of Consumer Finance for CIT Group Inc. ("CIT Group") and acting president of Student Loan Xpress, Inc. ("SLX"). CIT Group is incorporated in Delaware and has its principal place of business in New Jersey. SLX is also incorporated in Delaware.

2. In 2005, CIT Group acquired Educational Lending Group and its subsidiary, Student Loan Xpress, Inc. (collectively referred to herein as "SLX"). SLX became a wholly-owned subsidiary of CIT Group.

3. At the time of the acquisition, SLX was in the business of originating student loans, both through schools and directly to customers.

4. SLX marketed its business through student loan offices at colleges and universities throughout the United States and through the Internet. It did not maintain any retail locations in California or elsewhere. Until April 2008, it maintained an office that housed a sales force and call center in California. It also maintained and continues to maintain offices in Ohio, in which the loans were opened and serviced.

5. Until May of 2007, SLX was headed up by CEO Michael Shaut, who was based out of SLX's Cleveland, Ohio office.

6. SLX's sales force was primarily located in San Diego, California. SLX also operated a call center in San Diego, California. School representatives and individual consumers could call a toll-free number for additional information or answers to their questions regarding SLX's loan products.

7. SLX loans were opened and serviced out of its office in Cleveland, Ohio with the assistance of its wholly-owned subsidiary, Xpress Loan Servicing, Inc. ("XLS"), which, until his departure, was also managed by Michael Shaut. These functions included creating the loans, funding the loans, doing paperwork regarding the loans, and ultimately closing the loans.

8. SLX's financial department was and still is located in a third office in Cincinnati, Ohio.

9. In the Spring of 2007, the New York Attorney General and United State Senate announced investigations into student loan marketing practices, which were widely reported by the national press. Fabrizio Balestri, who had been an executive in SLX's San Diego office, was highlighted as a figure in the investigation.

10. In April and May 2007, there was a change in SLX's upper-level management. SLX terminated the employment of CEO Michael Shaut and Balestri. Another executive in SLX's San Diego office also separated from employment with SLX.

11 Subsequently, as of June 2007, SLX transferred all senior management functions to Livingston, New Jersey and left none in SLX's San Diego office.

12. At that time, I became SLX's acting president. My office is in Livingston, New Jersey. I and other executives in Livingston made all major decision regarding SLX, including without limitation decisions about pricing, products, market positioning, staffing, and expenditures. All SLX employees ultimately reported to me in New Jersey.

13. While some SLX employees in the San Diego, California office retained executive titles, they did not act as decision-makers in the company. They also reported to me in New Jersey.

14. For some time following the change in executive management, SLX continued to market and sell loans out of its San Diego office, and to open and service loans out of its Cleveland office. SLX also continued to operate its Cincinnati office.

15. In October 2007, the United States Congress enacted legislative changes affecting the student loan industry. In late 2007, I, along with executives at CIT Group, determined that these changes significantly reduced the profitability of the student loan origination business, at the same time that the business was becoming more costly.

16. At my direction, SLX began to exit certain lines of its student loan origination business in late 2007 and early 2008. SLX also terminated its relationships with certain marketing

partners and other entities with which it had contractual or other business relationships. Similarly, SLX began to wind down the marketing and sales activities that it had previously carried out from its San Diego, California office but remained active in the business of servicing previously opened loans.

17. On April 3, 2008, CIT Group CEO Jeffrey Peek announced that SLX would stop originating loans. A true and correct copy of his email announcement is attached hereto as Exhibit 1. SLX notified its remaining employees in San Diego, California that the office would be closing. Mr. Peek also announced that the loan servicing operations would continue, which they do to this day in Ohio.

18. As of April 11, 2008, all of SLX's corporate and management functions were performed by me and other executives in Livingston, New Jersey We made all key decisions regarding the ongoing transition of the business – including decisions regarding what functions would remain of the business, when changes would occur, and what employees would remain with the company. The Human Resources, legal, accounting, and other corporate support departments in New Jersey assisted in this process.

19. Between June 2007 and the present, any management employees in the San Diego, California office were not making any independent decisions about the business or operations at this time, as all such decisions were brought to and made by me and others in New Jersey.

20. As of April 11, 2008, SLX was no longer marketing or selling student loan products out of its San Diego office or elsewhere. Its business of servicing existing loans out of the Cleveland office and through XLS continues to this day.

21. As of April 11, 2008, SLX had already begun a process to move all of its call center functions from its San Diego office to its Cleveland office. This process was ultimately completed in May 2008.

22. SLX's San Diego office officially closed on June 9, 2008.

23. As of April 11, 2008, SLX was and continues to be an on-going concern with substantial assets. Among those assets, it held and holds well in excess of a billion dollars in

outstanding student loans, as well as its wholly owned subsidiary, XLS, all of which fall under my direct responsibility as acting president.

Pursuant to 28 U.S.C § 1746, I declare under penalty of perjury that the foregoing is true and correct. Executed in Livingston, New Jersey on July 17, 2008.

Randall Chesler

EXHIBIT 1

From: Corporate Communications
Sent: Thursday, April 03, 2008 9:02 AM
To: Corporate Communications
Subject: A Message from Jeff Peek: Student Loan Xpress

Jeffrey M. Peek
Chairman and
Chief Executive Officer

CIT

April 3, 2008

Dear Colleague:

Today we announced that we are closing our student lending origination business Student Loan Xpress (SLX). This action enables us to concentrate on our core commercial franchises, redeploying resources to our higher-returning businesses as we look to operate a more focused organization

Recent legislative changes, which have significantly reduced the profitability of originating new business, and current credit market conditions have impacted many companies in the student lending business, and Student Loan Xpress is no exception Even though we are no longer originating new student loans, we will continue to service existing student loans in our Cleveland service center with the same high quality of service our students and their families have come to expect

I want to recognize our colleagues who have been impacted as a result of this decision for their hard work and dedication in the midst of a very trying environment.

Thank you again for your continued contributions and dedication. Let's keep focused on strengthening our relationships with our clients and delivering the best we can every day.

Best regards,

Jeff

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